CURRENT

SUBJECT: ECONOMIC DEVELOPMENT

POLICY NO.: 900-01

EFFECTIVE DATE: November 28, 2012

BACKGROUND:

Economic development refers to activities undertaken by the public and private sector to promote job creation and retention and insure a strong diversified economy. Since the 1950s, the City has planned and implemented a variety of economic development programs. Areas of economic development activity include business attraction, business retention and expansion, commercial and neighborhood revitalization, redevelopment, small business assistance, tourism promotion, international trade and development projects involving city-owned land. Success in these activities is dependent upon complementary efforts to provide for public infrastructure, affordable housing, employment and training and environmental quality as well actions in the legislative and regulatory arenas.

In January 2012, the City Council amended the Permanent Rules of Council to establish the Council Committee on Economic Development and Strategies responsible for reviewing, holding hearings, and making recommendations to the City Council concerning the City's economic development programs and strategies.

PURPOSE:

To provide the framework for a comprehensive economic development program and a focused economic development strategy which promotes and encourages healthy, sustainable, and diversified economic prosperity throughout San Diego.

POLICY:

It is the policy of the City Council to support a focused Economic Development Strategy and a comprehensive Economic Development Program which promote and sustain a healthy diversified economy throughout San Diego. It is further the policy of the City Council that the focused Economic Development Strategy be prepared consistent with this Policy and updated every three years. The focused Economic Development Strategy, and its respective updates, will be presented to the Council Committee on Economic Development and Strategies for review and recommendation prior to City Council consideration.

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1. Focused Economic Development Strategy

- a) The Economic Development Strategy will include each of the following elements: mission, goals and objectives, actions, economic indicators, and performance measures.
- b) The Economic Development Strategy will be aligned with goals and objectives found in other City strategic and operational documents, including the General Plan Economic Prosperity Element, the City Strategic Plan, the Annual Budget, and this Policy.

An annual progress report of the adopted Strategy will be presented to the Council Committee on Economic Development and Strategies.

2. Comprehensive Economic Development Program

The Economic Development Program will be coordinated with City departments and external stakeholders to address the following goals and activities:

- a) Business Development and Retention. Support business retention, expansion and attraction, as follows:
 - i. Assist in the retention and expansion of existing San Diego businesses and the attraction of new businesses through focused outreach, ombudsman and public and private incentive programs.
 - ii. Focus on the attraction, expansion, and retention of businesses which provide employment opportunities for San Diego residents, diversify and strengthen the economic base and/or generate new City revenues by augmenting the City's tax base.
 - iii. Encourage public-private partnerships which increase communication and collaboration between business and government.
 - iv. Provide for a positive business climate which enhances and promotes the competitiveness of San Diego firms.

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- v. Promote the growth and formation of San Diego small businesses, with an emphasis on emerging businesses, through comprehensive technical and financial assistance and entrepreneurship and technology transfer programs.
- b) Workforce Development and Education. Support workforce development and educational partnerships, as follows:
 - i. Aggressively pursue efforts to create new jobs and support targeted industries which meet the needs of local residents.
 - ii. Work closely with a variety of organizations including institutions of higher learning in San Diego to encourage support and collaboration in the City's economic development activities.
 - iii. Support programs which improve the quality of San Diego's labor force through education and training and coordinate these efforts with economic development activities to ensure that unemployed, underemployed, and disadvantaged San Diegans find employment.
- c) Managed Growth. Promote well-managed growth which is environmentally sensitive and maintains San Diego's exceptional quality of life, as follows:
 - i. Facilitate the revitalization of San Diego's older neighborhoods through formation and support of business and community organizations, public improvement design and construction, stimulation of private investment and related efforts within older commercial and residential areas.
 - ii. Develop City-owned industrial land to provide new job opportunities and revenue generation through industrial development.
 - iii. Encourage the development of affordable housing.
- d) Manufacturing. Support the growth of manufacturing jobs by ensuring the development of a regulatory process which is timely, user-friendly, predictable and cost-effective, and which provides a balanced approach to environmental issues by:

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- i. Advocating for legislative and regulatory change, including periodic meetings with State and Federal representatives, to ensure support for the City's economic development efforts.
- ii. Providing an opportunity for the public and economic development staff to submit suggestions and comments on regulatory relief at the Committee on Economic Development and Strategies.
- e) International Trade. Support international trade and cooperation, as follows:
 - i. Take a pro-active leadership role in binational economic development which includes building a strong cooperative relationship with Mexico to address our mutual economic challenges and opportunities.
 - ii. Increase the global competitiveness of San Diego businesses through promotion of international trade and foreign investment and development of partnerships with Mexico (focusing especially on shared infrastructure), and other countries.
 - iii. Enhance San Diego's economic climate and provide access to national and international markets through the planning, development and maintenance of transportation, sewer, water and other key infrastructure systems.
- f) Tourism. Promote, in coordination with local tourism industry, San Diego as a tourist destination through events and activities, including the arts and culture, which attract tourists to San Diego.
- g) Military. Support San Diego's military installations with advocacy to retain and protect military assets and the defense industry, and coordinate with the military to address future growth and development through comprehensive land use planning.

REFERENCES:

Council Policy 000-19, Legislative Policy Guidelines

Council Policy 900-03, Management and Marketing of City-Owned Industrial Property

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Council Policy 900-04, Industrial Development Council Policy 900-07, Business Improvement Districts Council Policy 900-12, Business and Industry Incentive Program Council Policy 900-15, Small Business Enhancement Program (SBEP) Council Policy 900-17, Storefront Improvement Program

HISTORY:

Adopted by Resolution R-213611 - 06/19/1975 Amended by Resolution R-223090 - 03/19/1979 Amended by Resolution R-251992 - 06/09/1980 Amended by Resolution R-258414 - 05/09/1983 Amended by Resolution R-260765 - 05/22/1984 Amended by Resolution R-261080 - 07/03/1984 Amended by Resolution R-280134 - 06/15/1992 Amended by Resolution R-307888 - 11/28/2012